

New Bulletin Provides Recommendations to Insurers During COVID-19

Insurers asked to waive prior authorization requirements, cease cancellations and nonrenewals due to missed or delayed payments

Insurance Commissioner Trinidad Navarro and the Delaware Department of Insurance today issued a bulletin with recommended actions for the insurance industry. Requests included asking health insurers waive all prior authorization constraints for lab testing and future treatment of COVID-19, and that insurers consider ceasing cancellations or nonrenewals of insurance policies due to nonpayment throughout the duration of the declared Delaware State of Emergency.

“The insurance industry has the opportunity to help tens of thousands of Delaware residents, businesses, and healthcare providers during this state of emergency,” said **Insurance Commissioner Trinidad Navarro**. “Waiving prior authorization requirements would help the entire healthcare system to run more efficiently and allow providers to focus on patient outcomes rather than paperwork.”

Prior authorization is a process that requires certain tests, medications, or other health services to be pre-approved by an insurance company before a medical provider serves an insured consumer, which can at times result in delays. Should prior-authorization be voluntarily waived by insurers, that would not mean that residents should not be in contact with their primary care provider prior to visiting a COVID-19 testing site.

The bulletin also asked insurance carriers to voluntarily freeze cancellations and nonrenewals of policies that might

have otherwise occurred due to delays in payments through the duration of the state of emergency.

“Throughout Delaware’s State of Emergency, many companies have had to close or reduce their business, and employees have been laid off or fired as a result,” **Commissioner Navarro** explained. “After hearing from businesses and residents who were concerned about the choices they will have to make with limited finances, we ask insurers to help alleviate some of that stress and ensure that residents and business owners in this difficult situation can have the peace of mind that insurance provides throughout the duration of the emergency.”

Business interruption coverage will vary policy to policy, and some business interruption coverage may explicitly exclude viral infections. Companies are urged to review their related insurance policies and contact their insurance company with questions about coverage. Hospitality small businesses and nonprofits may be able to apply for no-interest loans from the Division of Small Business [Hospitality Emergency Loan Program \(HELP\)](#). Organizations can receive a \$10,000 maximum loan per month for rent, utilities, and other unavoidable, non-personnel bills.

On March 18, [Governor Carney’s updated State of Emergency Declaration](#) waived certain telemedicine regulations to expand access to these services. The Governor clarified that residents do not need to see a provider in-person before receiving telemedicine services, and that if a Delaware resident is out-of-state, they can still receive telemedicine services. To increase availability of these services, out-of-state providers who are licensed to provide telemedicine in other jurisdictions will also be able to serve Delaware residents through the duration of the emergency declaration. Telehealth and telemedicine can be provided via phone, webcam, facetime, and a myriad of other easily accessible options, as the department recently [reminded insurers via bulletin](#).

[Department of Insurance March 20 Bulletin](#)

[National Association of Insurance Commissioner's COVID-19 and Insurance Brief](#)

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